

ORIGINAL

Approved: Andrew K. Chan  
ANDREW K. CHAN  
Assistant United States Attorney

Before: THE HONORABLE ONA T. WANG  
United States Magistrate Judge  
Southern District of New York

18 MAG 8097

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UNITED STATES OF AMERICA : SEALED COMPLAINT  
:   
- v. - : Violation of  
: 18 U.S.C. § 1349  
:   
MIGUEL VARGAS and : COUNTY OF OFFENSE:  
DONALD MILLER, : NEW YORK and BRONX  
:   
Defendants. :  
:   
- - - - - X

SOUTHERN DISTRICT OF NEW YORK, ss.:

DANIEL ALESSANDRINO, being duly sworn, deposes and says that he is a Detective with the New York City Police Department ("NYPD"), and charges as follows:

COUNT ONE  
(Conspiracy to Commit Bank Fraud)

1. From at least in or around April 2017 up to and including in or around June 2017, in the Southern District of New York and elsewhere, MIGUEL VARGAS and DONALD MILLER, the defendants, willfully and knowingly, did combine, conspire, confederate, and agree together and with each other to commit bank fraud, in violation of Title 18, United States Code, Section 1344.

2. It was a part and object of the conspiracy that MIGUEL VARGAS and DONALD MILLER, the defendants, and others known and unknown, willfully and knowingly, did execute and attempt to execute a scheme and artifice to defraud financial institutions, the deposits of which were then insured by the Federal Deposit Insurance Corporation, and to obtain moneys, funds, credits, assets, securities, and other property owned by, and under the custody and control of, such financial institutions, by means of false and fraudulent pretenses,

representations, and promises, in violation of Title 18, United States Code, Section 1344.

(Title 18, United States Code, Section 1349.)

The bases for my knowledge and for the foregoing charge are, in part, as follows:

3. I am a Detective with the NYPD. I have been personally involved in the investigation of this matter, and I base this affidavit on that experience, on my conversations with other law enforcement, and on my examination of various reports and records. Because this affidavit is being submitted for the limited purpose of demonstrating probable cause, it does not include all the facts I have learned during the course of my investigation. Where the contents of documents and the actions, statements, and conversations of others are reported herein, they are reported in substance and in part, except where otherwise indicated.

#### **OVERVIEW OF THE SCHEME TO DEFRAUD**

4. Based on my review of bank records, law enforcement records, and my conversations with law enforcement officers and representatives of a bank ("Bank-1"),<sup>1</sup> and as set forth below, I believe that MIGUEL VARGAS and DONALD MILLER, the defendants, have engaged in the following scheme to defraud Bank-1:

a. Between at least in or around April 2017 and in or around June 2017, approximately 66 corporate bank accounts were opened at various Bank-1 branches (the "Scheme Accounts").

b. Shortly after each of the Scheme Accounts was opened, one or more checks were deposited into each of the Scheme Accounts (the "Stolen Checks"). In each instance, the name associated with the Scheme Accounts was similar but not identical to the name of the payee on the Stolen Checks. For example, a letter or word might be slightly different between the name of the payee and the name associated with the bank account.

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<sup>1</sup> Based on my training, experience, and conversations with representatives of Bank-1, I know that the deposits at Bank-1 are insured by the Federal Deposit Insurance Corporation.

c. Shortly after each of the Stolen Checks was deposited into the Scheme Accounts, large amounts of cash were withdrawn from the Scheme Accounts at ATMs or at one or more casinos.<sup>2</sup> The Stolen Checks were then rejected by Bank-1 or reported stolen, leaving each of the Scheme Accounts with a negative balance. A cellphone used by VARGAS (the "VARGAS Cellphone") and a cellphone used by MILLER (the "MILLER Cellphone"), see infra ¶ 6, both placed calls to check on the status of the Scheme Accounts shortly after the Stolen Checks were deposited. Surveillance video from bank branches also showed VARGAS and MILLER at bank branches with participants in the scheme who were responsible for opening the Scheme Accounts.

d. The total value of the Stolen Checks deposited into the Scheme Accounts is approximately \$2 million.

**THE INVOLVEMENT OF MIGUEL VARGAS AND DONALD MILLER, THE DEFENDANTS, IN THE SCHEME**

5. Based on my review of Bank-1 records, Bank-1 surveillance video, and my conversations with law enforcement officers and Bank-1 representatives, I have learned the following among other things:

*Scheme Account-1*

a. On or about April 13, 2017, a corporate bank account ("Scheme Account-1") was opened at a Bank-1 branch in Long Island in the name of a company with a very similar name to a real estate management company ("Victim-1"). Scheme Account-1 was opened by a female co-conspirator not named herein ("CC-1"). Later that day, a check for \$100,000 to be paid to Victim-1 (the "Victim-1 Check") was deposited into Scheme Account-1.

b. Between on or about April 13, 2017 and on or about April 20, 2017, approximately \$50,000 was withdrawn from Scheme Account-1 at casinos. On or about April 18, 2017, approximately \$3,600 was charged at department stores using a

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<sup>2</sup> Based on my training and experience, I know that individuals involved in bank fraud frequently withdraw the proceeds of bank fraud at casinos. Casinos frequently allow individuals to withdraw larger amounts of money from their bank accounts than at ATMs. Additionally, it is less suspicious for individuals involved in bank fraud to withdraw large amounts of money from casinos than at bank branches, where bank employees can look at an account history before allowing cash to be withdrawn.

debit card associated with Scheme Account-1. On or about April 19, 2017, approximately \$1,000 was withdrawn from Scheme Account-1 at an ATM located in the Bronx, New York.

c. Based on my review of surveillance video from this ATM transaction, the withdrawal is made by a male individual ("Male-1"), not CC-1. Based on my review of photographs of MIGUEL VARGAS, the defendant, I believe that Male-1 and VARGAS are one and the same individual.

d. On or about April 20, 2017, Scheme Account-1 was frozen by Bank-1.

e. Between on or about April 13, 2017 and on or about April 20, 2017, the VARGAS Cellphone placed approximately 14 phone calls to Bank-1 to check on the status of Scheme Account-1.

#### *Scheme Account-2*

f. On or about April 11, 2017, a corporate bank account ("Scheme Account-2") was opened at a Bank-1 branch in Long Island in the name of a company with a very similar name to a design company ("Victim-2"). Scheme Account-2 was opened by a co-conspirator not named herein ("CC-2"). Shortly after Scheme Account-2 was opened, a check for approximately \$16,000 to be paid to Victim-2 (the "Victim-2 Check") was deposited into Scheme Account-2.

g. Between on or about April 12, 2017 and on or about April 13, 2017, approximately \$15,000 was withdrawn from Scheme Account-2 at casinos.<sup>3</sup> On or about April 13, 2017, approximately \$200 was withdrawn from Scheme Account-2 at an ATM located in the Bronx, New York.

h. On or about April 20, 2017, Scheme Account-2 was frozen by Bank-1.

i. Between on or about April 12, 2017 and on or about April 13, 2017, the VARGAS Cellphone placed approximately three phone calls to Bank-1 to check on the status of Scheme Account-2.

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<sup>3</sup> Based on my training and experience, I know that banks sometimes allow for customers to withdraw funds from bank accounts beyond their current balance, resulting in a negative balance in the account.



*Scheme Account-3*

j. On or about April 18, 2017, a corporate bank account ("Scheme Account-3") was opened at a Bank-1 branch in Queens in the name of a company with a very similar name to a property management company ("Victim-3"). Scheme Account-3 was opened by a female co-conspirator not named herein ("CC-3"). Shortly after Scheme Account-3 was opened, a check for approximately \$16,500 to be paid to Victim-3 (the "Victim-3 Check") was deposited into Scheme Account-3.

k. Between on or about April 18, 2017 and on or about April 20, 2017, approximately \$19,000 was withdrawn from Scheme Account-3 at casinos.

l. On or about April 19, 2017, approximately \$800 was withdrawn from Scheme Account-3 at an ATM in the Bronx. Based on my review of surveillance video from this ATM transaction, the withdrawal is made by a male individual ("Male-2"), not CC-3. Based on my review of photographs of MIGUEL VARGAS, the defendant, I believe that Male-2 and VARGAS are one and the same individual.

m. On or about April 27, 2017, the Victim-3 Check was rejected and Scheme Account-3 was closed.

n. Between on or about April 18, 2017 and on or about April 19, 2017, the VARGAS Cellphone placed approximately four phone calls to Bank-1 to check on the status of Scheme Account-3.

*Scheme Account-4*

o. On or about April 18, 2017, a corporate bank account ("Scheme Account-4") was opened at a Bank-1 branch in Queens in the name of a company with a very similar name to an energy company ("Victim-4"). Scheme Account-4 was opened by a co-conspirator not named herein ("CC-4"). Shortly after Scheme Account-4 was opened, a check for approximately \$20,000 to be paid to Victim-4 (the "Victim-4 Check") was deposited into Scheme Account-4.

p. Between on or about April 19, 2017 and on or about April 20, 2017, approximately \$14,000 was withdrawn from Scheme Account-4 at casinos.

q. On or about April 20, 2017, Scheme Account-4 was frozen by Bank-1. On or about May 2, 2017, Scheme Account-4 was closed with a negative balance.

r. On or about April 20, 2017, the VARGAS Cellphone placed approximately two phone calls to Bank-1 to check on the status of Scheme Account-4.

*Scheme Account-5*

s. On or about April 18, 2017, a corporate bank account ("Scheme Account-5") was opened at a Bank-1 branch in Manhattan in the name of a company with a very similar name to a property management company ("Victim-5"). Scheme Account-5 was opened by a male co-conspirator not named herein ("CC-5"). Shortly after Scheme Account-5 was opened, a check for approximately \$8,000 to be paid to Victim-5 (the "Victim-5 Check") was deposited into Scheme Account-5.

t. Based on surveillance video, CC-5 and another male individual ("Male-3") were present to open Scheme Account-5 and deposit the Victim-5 check into the Scheme Account-5. Based on my review of photographs of DONALD MILLER, the defendant, I believe that Male-3 and MILLER are one and the same individual.

u. On or about April 18, 2017, approximately \$8,000 was withdrawn from Scheme Account-5 at casinos.

v. On or about April 20, 2017, Scheme Account-5 was frozen by Bank-1.

w. On or about April 18, 2017, the MILLER Cellphone placed approximately three phone calls to Bank-1 to check on the status of Scheme Account-5.

*Scheme Account-6*

x. On or about May 17, 2017, a corporate bank account ("Scheme Account-6") was opened at a Bank-1 branch in Kingston, NY in the name of a company with a very similar name to a media company ("Victim-6"). Scheme Account-6 was opened by a co-conspirator not named herein ("CC-6"). Shortly after Scheme Account-6 was opened, a check for approximately \$125,000 to be paid to Victim-6 was deposited into Scheme Account-6. Later that day, the Scheme Account-6 was frozen by Bank-1.

y. On or about May 17, 2017, the MILLER Cellphone placed a call to Bank-1 to check on the status of Scheme Account-6.

*Scheme Account-7*

z. On or about May 1, 2017, a corporate bank account ("Scheme Account-7") was opened at a Bank-1 branch in Yonkers, NY in the name of a company with a very similar name to a security company ("Victim-7"). Scheme Account-7 was opened by a co-conspirator not named herein. Shortly after Scheme Account-7 was opened, two checks totaling approximately \$20,000 to be paid to Victim-7 were deposited into Scheme Account-7.

aa. On or about May 1, 2017, approximately \$10,000 was withdrawn from Scheme Account-7 at casinos. On or about May 2, 2017, Scheme Account-7 was frozen by Bank-1.

bb. On or about May 2, 2017, the MILLER Cellphone Placed a call to Bank-1 to check on the status of Scheme Account-7.

*Scheme Account-8*

cc. On or about April 20, 2017, a corporate bank account ("Scheme Account-8") was opened at a Bank-1 branch in Yonkers, NY in the name of a company with a very similar name to a property management company ("Victim-8"). Scheme Account-8 was opened by a co-conspirator not named herein. Shortly after Scheme Account-8 was opened, a check in the amount of approximately \$10,000 to be paid to Victim-8 was deposited into Scheme Account-8.

dd. On or about April 20, 2017, approximately \$10,000 was withdrawn from Scheme Account-8 at casinos. On or about April 20, 2017, approximately \$400 was withdrawn from Scheme Account-8 at an ATM located in the Bronx, NY. On or about April 27, 2017, Scheme Account-8 was frozen by Bank-1.

ee. On or about April 20, 2017, the MILLER Cellphone placed approximately two calls to Bank-1 to check on the status of Scheme Account-8.

**VARGAS AND MILLER ARE THE USERS OF THE VARGAS CELLPHONE AND THE MILLER CELLPHONE**

6. Based on my review of law enforcement records and phone records, I have learned the following, among other things:

a. MIGUEL VARGAS, the defendant, is the registered subscriber of the VARGAS Cellphone. The subscriber information for the VARGAS Cellphone also includes VARGAS's date of birth and social security number. The VARGAS Cellphone was activated on March 24, 2017 and was deactivated on June 24, 2017.

b. On or about September 6, 2016, VARGAS was placed on parole under the supervision of the New York State Parole Division. Between on or about May 18, 2017 and on or about June 1, 2017, the VARGAS Cellphone engaged in approximately seven communications with a cellphone used by VARGAS's parole officer.

c. On or about May 19, 2016, DONALD MILLER, the defendant, was placed on parole under the supervision of the New York State Parole Division. Since then, the MILLER Cellphone has been listed as MILLER's contact number in records with the New York State Parole Division.

d. Based on a search on social media for the MILLER Cellphone, it appears that the MILLER Cellphone was used to create a social media account (the "MILLER Social Media Account") with username "bdmovement101" and vanity name "Donald Miller."<sup>4</sup>

e. On or about April 12, 2017, a female individual ("Female-1") called the NYPD and provided Female-1's phone number (the "Female-1 Cellphone") and the MILLER Cellphone as Female-1's contact numbers. Female-1 also stated that Female-1 lived at an address in the Bronx (the "Bronx Address"). On or about June 30, 2017, DONALD MILLER, the defendant, was arrested and reported that MILLER resided at the Bronx Address. MILLER also reported that Female-1 was the mother of MILLER's children. Between in or around March 2017 and in or around

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<sup>4</sup> Based on my training and experience, I know that many social media accounts allow a user to have both a username for signing into an account, as well as a "vanity name" that is publicly shown to other users.



October 2017, the MILLER Cellphone and the Female-1 Cellphone engaged in approximately 2,164 communications.

f. Between in or around April 2017 and in or around June 2017—the time frame when the scheme described above was being executed—the MILLER Cellphone and the VARGAS Cellphone engaged in approximately 22 communications with each other. During that same timeframe, the VARGAS Cellphone called phone numbers associated with Bank-1 approximately 61 times and a phone number associated with a casino on one occasion. Additionally, the MILLER Cellphone called phone numbers associated with Bank-1 approximately 65 times.

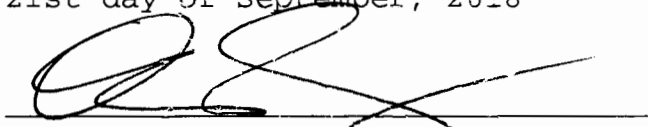
7. Based on my review of law enforcement records, I know that on or about September 30, 2017, MIGUEL VARGAS, the defendant, was arrested after attempting to cash a counterfeit check at a bank.

WHEREFORE, deponent respectfully requests that a warrant be issued for the arrest of MIGUEL VARGAS and DONALD MILLER, the defendants, and that they be arrested and imprisoned or bailed, as the case may be.



DANIEL ALESSANDRINO  
Detective  
New York City Police Department

Sworn to before me this  
21st day of September, 2018



THE HONORABLE ONA T. WANG  
UNITED STATES MAGISTRATE JUDGE  
SOUTHERN DISTRICT OF NEW YORK